



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OCT 14 2004

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OFFICE OF
SOLID WASTE AND EMERGENCY
RESPONSE

The Honorable John D. Dingell
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
Washington, D.C. 20515

Dear Congressman Dingell:

This is in response to your August 13, 2004 letter about funding for Superfund remedial actions. In fiscal year 2004, EPA funded all on-going cleanup construction work and funded 27 projects that were ready for new construction funding. As EPA stated over the past two fiscal years, the current level of appropriated program funding does not permit the Superfund program to start long-term construction work at every project that is ready to begin construction. EPA is managing the challenges presented by a changing Superfund program. The sites under construction or waiting for long-term cleanup are on average more costly, larger, and more complex than sites already completed. As these sites get funded, they are placing a larger burden on the Superfund budget. This year, for instance, more than 50 percent of EPA's long-term cleanup budget will be funding nine sites. To address this issue, the President requested \$150 million in additional Superfund cleanup construction funding for both fiscal years 2004 and 2005. Unfortunately, the program received only \$23 million in additional appropriated funding in fiscal year 2004.

In the meantime, EPA has continued its vigorous Superfund enforcement efforts. More than 70 percent of Superfund sites are cleaned up by those responsible for the pollution - - not by federal taxpayer funding. Since the beginning of the Superfund program, more than \$22 billion in cleanup commitments and funding have been provided by the parties responsible for toxic waste sites. Superfund cleans up only those sites left after EPA enforcement actions.

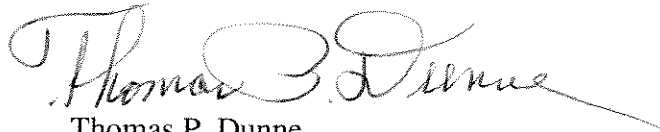
I can assure you that we are doing our best to manage the Superfund program in a way that ensures the protection of human health and the environment from imminent threats while making the best use of the funds we do have.

There are a number of dynamic factors which affect EPA's decision-making process when funding new construction projects. The Superfund program does not know the total amount of money that may become available through deobligations until late in the fiscal year. Also, in some cases, delays in the remedial design or other site specific

circumstances will result in a site not being ready for construction during the fiscal year. Enclosed are lists of the site projects that were funded and were not funded in fiscal year 2004. Also enclosed are answers to your questions based upon information as of September, 2004. We have consulted with the Regions in making these decisions so that funding allocations will balance competing needs and the funds will be used as effectively and efficiently as possible for the highest priority sites based on human health and environmental risk. EPA expects to be able to provide you with complete information on fiscal year 2004 Superfund accomplishments in November.

If you have further comments or questions, please contact me or your staff may contact Holly Smithson in the Office of Congressional and Intergovernmental Relations at (202) 564-1609.

Sincerely,

A handwritten signature in cursive script, reading "Thomas P. Dunne". The signature is written in dark ink and is positioned above the printed name and title.

Thomas P. Dunne
Acting Assistant Administrator

Enclosures

ENCLOSURE 1

Responses To Questions

Question 1. Please specify in detail the cleanup work and activities that will not be performed or for which funds have not yet been allocated at sites that need additional funding to initiate new cleanup projects or expedite work at ongoing cleanup projects, based on regional requests.

Answer. Enclosure 2 is a list of ranked, new start projects which did not receive remedial funds in fiscal year 2004. As mentioned above, some of the projects identified in Enclosure 2 were not ready for construction for reasons other than funding. Enclosure 3 is the list of ranked, new start projects, which received funding in fiscal year 2004. Enclosure 4 is the list of sites that you submitted and their current status. Many of these sites were not ready for construction funding.

Question 2. Please identify the ongoing remedial projects that are not sufficiently funded to date and the dollar shortfall for each, based on regional requests.

Answer. We believe all ongoing remedial projects are funded sufficiently to maintain effective progress toward construction completion. The funding decisions were made in coordination with our regional offices, after a careful review of the scope, schedule and budget of each project. The funding levels for all of these projects reflect our best efforts to balance the Superfund program's human health and environmental protection responsibilities with individual site needs and overall national priorities. At this time we do not have the final amounts of ongoing funding that have been allocated to each site in FY 2004. This information will be available in November, 2004.

Question 3. Please identify the removal projects not sufficiently funded to date and the dollar shortfall for each, based on regional requests.

Answer. We allocate the Removal Advice of Allowance (AOA) by Region, not by specific removal action. Regions manage their AOA throughout the year, with their top priority being emergency responses necessary to protect human health and the environment. Non-emergency removal actions are funded to the extent that a Region's resources allow. If important needs arise during the year for which a Region does not have adequate funding, that particular Region and Headquarters will work together to address funding needs. The program makes sure that emergency situations are funded. Funding information for fiscal year 2004 will be available in November, 2004.

Question 4. Please identify the pipeline projects not sufficiently funded to date and the dollar shortfall for each, based on regional requests.

Answer. We do not allocate our Pipeline Operations AOA to the Regions on a site specific basis. This AOA pays for site assessments, both remedial and removal, remedial investigations, feasibility studies, remedial design, oversight, lab support, records management, technical assistance, state, tribal and community involvement, and information management. The program uses the Pipeline Allocation Model to assign a lump sum to each Region for these activities. A portion of the allocation is based on historical patterns and the remaining portion is based on a workload scoring system. At the start of the annual work planning process, Headquarters provides general guidance regarding its projections of the funding that will be available. Using this information, each Region develops its Pipeline Operations AOA request. After work planning discussions with Headquarters, the Regions refine and finalize their program operating plans. During the course of the year, each Region makes site-specific resource allocation decisions based on site needs and the resources in their AOA. Actual site spending is not compiled nationally until the end of the year. For fiscal year 2004 the site-specific expenditure information will be available in November, 2004.

Question 5. Please provide the current status, including funds allocated to date for fiscal year 2004, as well as the type and dollar amount of the cleanup work or activities ready to proceed for the following projects: Eastland Woolen (ME), Barber Orchard (NC), Callaway and Son Drum Services (FL), Brewer Gold (SC), Pepper Steel (FL), Reasor Chemical Company (NC), Tar Creek (OK), Valley Park TCE (MO), Arsenic Trioxide (ND), Midvale Slag (UT), McCormick and Baxter (CA), San Gabriel Valley Area 4 (CA), Tucson Airport International Area (AZ), Commencement Bay-South Takoma Channel (WA), Wyckoff-Eagle (WA).

Answer. The Regions' needs for most of these sites have changed since their original fiscal year 2004 budget request. To date, Headquarters staff responsible for this issue are not aware of any unmet regional funding requests for these projects. Enclosure 3 provides the funding that has been provided along with an explanation of the current status of each of these sites.

ENCLOSURE 2
FY 2004 Ranked Projects Not Receiving Remedial
Construction Funds as of September 30, 2004

<u>ST</u>	<u>Project Name</u>	<u>FY 04 Readiness</u>
MA	Atlas Tack Phase 2 (Soils)	D
MA	Atlas Tack Phase 3 (Wetlands)	D
MA	Hatheway & Patterson	D
NH	Mohawk Tannery	R
NH	Ottati & Goss	D
VT	Elizabeth Mine Phase II	R
NJ	Kaufman & Minter	D
NJ	Roebbing Steel (Slag)	R
DE	Standard Chlorine of DE	D
PA	Crossley Farm	R
PA	Franklin Slag Pile	D
PA	Havertown PCP	D
FL	Sapp Battery	R
GA	Brunswick Wood Preserving	D
GA	Marzone/Chevron	R
TN	Wrigley Charcoal	D
IL	Ottawa Radiation Areas 1, 4, 9, 11	R
IN	Continental Steel Corp. (CAMU)	R
IN	Continental Steel Corp. (Main Plant)	R
IN	Continental Steel Corp. (Markland Quarry)	R
AR	Mountain Pine Pressure Treatment	D
LA	Marion Pressure Treating Company	R
TX	Hart Creosoting	R
TX	Jasper Creosoting	R
TX	Rockwool Industries	D
CO	California Gulch	D
CO	Central City/Clear Creek (Big 5)	R
CO	Central City/Clear Creek (Chase)	R
CO	Central City/Clear Creek (Gilpin)	R
CO	Summitville Mine	R
MT	Upper 10 Mile Creek (Tier 2)	R
UT	Jacobs Smelter	D
CA	Pemaco	D
ID	Bunker Hill (Wash Rec Areas)	R

R identifies projects ready for construction funding
D identifies projects still in the Design Phase

ENCLOSURE 3

FY 2004 Ranked Projects Receiving Remedial Construction Funding As of September 30, 2004 (27 Projects)

<u>Region/State</u>	<u>Site</u>
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1 MA	Atlas Tack Phase 1 (Buildings & Local Soils)
1 NH	New Hampshire Plating
1 NH	Troy Mills Landfill
1 RI	Rose Hill Regional Landfill
1 VT	Elizabeth Mine Phase I (funded with emergency response advice of allowance)
2 NJ	Cosden Chemical Coatings Corporation
2 NJ	Federal Creosote (Mall Hot Spots)
2 NY	Genzale Plating Company
2 NY	Mackenzie Chemical Works
3 VA	Kim-Stan Landfill
3 WV	Vienna Tetrachloroethene
4 GA	Woolfolk Chemical OU3
4 GA	Woolfolk Chemical OU4
5 IL	Jennison Wright
5 IL	SE Rockford GWT
5 MI	Tar Lake
6 NM	North Railroad Avenue Plume
7 IA	Railroad Ave Ground Water Contamination Site
7 MO	Riverfront Site (Front Street)
7 NE	Hastings Ground Water Contamination
7 NE	Omaha Lead Site
8 MT	Upper Ten Mile Creek (Tier 1)
8 UT	Davenport and Flagstaff Smelters
8 UT	Eureka Mills
10 ID	Bunker Hill (OU3 Non-Residential)
10 OR	McCormick & Baxter Creosoting Company
10 WA	Pacific Sound Resources

ENCLOSURE 4
Cleanup Funding Status for Requested Sites
As of September, 2004

<u>Region</u>	<u>Project</u>	<u>FY04 Remedial Funds</u>	<u>FY04 Removal Funds</u>
1	Eastland Woolen (ME) The \$5M comes from the remedial action advice of allowance, but the project is being handled as a removal action.	\$5.0M	
4	Barber Orchard (NC) ROD not yet completed.		\$0.0
4	Callaway & Son Drum Services (FL) ROD not yet completed.		\$0.0
4	Brewer Gold (SC) Not yet proposed to NPL.		\$800K
4	Pepper Steel (FL) Still in design phase, Region did not need remedial action funding in FY 2004.		\$0.0
4	Reasor Chemical Company (NC) Region did not need remedial action funding in FY 2004.		\$0.0
6	Tar Creek (OK) Remedial action underway, funding meets current Regional needs.		\$2.7M
7	Valley Park TCE (MO) Still in design phase, Region did not need remedial action funding in FY 2004.		\$0.0
8	Arsenic Trioxide (ND) This site has been deleted from the NPL, although further cleanup action is being considered. Funds not needed in FY 2004.		\$0.0
9	McCormick & Baxter (CA) Remedial action underway, existing funding met current Regional needs.		\$0.0
9	San Gabriel Valley (Area 4) (CA) Still in design phase, Region did not need remedial action funding in FY 2004.		\$0.0

- 9 Tucson International Airport Area (AZ) \$0.0
Still in design phase, Region did not need remedial action funding in FY 2004.
- 10 Commencement Bay-South Tacoma Channel (WA) \$1.0M
Long term response action, funding met current Regional needs.
- 10 Wyckoff-Eagle Harbor (WA) \$3.3M
Remedial action underway, funding met current Regional needs.